REMARKS

The above amendment and these remarks are responsive to the non-FINAL Office action of Examiner Kirsten Sachwitz Apple, mailed 11 Aug 2005, which is indicated as responsive to applicant's communication filed 23 Mar 2001, which is the filing date of the original application.

Drawings

However, applicants submitted a preliminary amendment on or about 5 Jul 2002, submitting changes to the formal drawings. While the Examiner indicates that the drawings submitted on 23 Mar 2001 are accepted, applicants herewith inquire as to whether the drawing corrections of 5 Jul 2002 have been accepted and entered.

Specification

The Examiner requires correction to several informalities in the specification, which applicant's have corrected by the above amendments.

The description of SAP added by the above amendment is obtained from copending application Serial No. 09/657,215.

35 U.S.C. 101

Claims 1-5 and 12 have been rejected under 35 U.S.C. 101 "because as a method claim they 'lack technology knowledge... the claim provides a limitation in the technological arts...."

Applicants traverse.

In Ex parte CARL A. LUNDGREN, Appeal No. 2003-2008, a precedential opinion of the Board of Appeals, rendered most likely subsequent to preparation of the Office Action in the present case, the Board states "there is currently no judicially recognized separate 'technological arts' test to determine patent eligible subject matter under § 101.' [Heard 20 Apr 2005. Paper No. 78, page 9.]

Apparently as a result of this decision, the USPTO Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility (signed 26 Oct 2005) states:

> "The following tests are not to be applied by examiners in determining whether the claimed invention is patent eligible subject matter: (A) 'not in the tehnological arts' test...."

Applicants request that the rejection of claims 1-5 and 12 under 35 U.S.C. 101 be reconsidered and withdrawn.

35 U.S.C. 103

Claims 1-12 have been rejected under 35 U.S.C. 103(a) over Bartoli et al U.S. Patent 6,047,268 (hereinafter Bartoli) in view of USBI bill and company information (hereinafter USBI).

Typical of the Examiner's conclusions with respect to the claims is the following statement:

> "...Bartoli does not... explicitly disclose 'assigning tax codes' and 'converting said tax code and tax location to a tax jurisdiction code with associated tax rate.' It is obvious... to 'process the billing request' tax would have to be calculated. In addition, USBI is an example of a company which has been doing this since 1993. USBI is a clearinghouse company for the telecommunication industry and has been calculating 'associated tax rates' in accordance with 'business rules' both for on and off-line billing." [Office Action, page 4.]

Applicants agree that, for commercial accounts where a customer is buying directly from a supplier, the tax gets

calculated, and the person purchasing the goods then enters a credit card or account information as described in the Bartoli patent.

However, applicant's invention goes beyond the obvious. It involves determining a taxability code (whether or not something is taxable at all), which is not taught by the Bartoli patent or the USBI reference. This is described in Figures 8-10 of the present application. The Examiner states that "it is obvious... that to 'process the billing request,' tax would have to be calculated." [Office Action, page 7.] Applicants traverse this conclusion of the Examiner. If one doesn't know an item is taxable or not, then it is not obvious how it is done. Neither Bartoli or USBI even ask the question, and certainly don't suggest the solution taught by applicants.

In addition, Bartoli's patent has taxability at the order level, as distinguished from the line item level. Applicant's invention describes how taxability is determined at the item level [See specification, page 9, line 21], so either the configuration or the user determines the taxability. There is no option for this in the Bartoli patent.

Bartoli teaches, in the background section, that his invention relates to 'Further, a billing methodology that requires interactions between only the user, the merchant, and the provider of the billing service is

advantageous." [Bartoli, last sentence of the Background section.] This is a clear statement about a commercial offering. Applicant's invention relates to how a corporation operates to manage its tax liability for operating expenses (purchases). Further in this respect, applicants describe grouping of company codes in order to provide flexibility as to tax liability. [Specification, page 5, lines 6-9.]

Applicants have amended each independent claim to more clearly recite that taxability codes are determined at the line-item level.

Applicants request that claims 1-12 be allowed.

SUMMARY AND CONCLUSION

Applicants urge that the above amendments be entered and the case passed to issue with claims 1-12.

The Application is believed to be in condition for allowance and such action by the Examiner is urged. Should differences remain, however, which do not place one/more of the remaining claims in condition for allowance, the Examiner is requested to phone the undersigned at the number provided below for the purpose of providing constructive

assistance and suggestions in accordance with M.P.E.P. Sections 707.02(j) and 707.03 in order that allowable claims can be presented, thereby placing the Application in condition for allowance without further proceedings being necessary.

Sincerely,

S. B. Cirulli, et al.

By

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Date: 5 Nov 2005

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